

(1) Staging area: The staging area is the Port Everglades Turning Basin and that portion of the Intracoastal Waterway extending from Port Everglades Turning Basin to Dania Sound light 35 (LLNR 42865).

(2) Parade Route: The parade route includes the Intracoastal Waterway from Dania Sound Light 35 (LLNR 47575) to Pompano Beach Daybeacon 74 (LLNR 47230)

(3) Viewing area: The Viewing area extends from the Sunrise Blvd Bridge South to the New River Sound Light 3 (LLNR 47240) West of the ICW.

(4) Coast Guard Patrol Commander. The Coast Guard Patrol Commander is a commissioned, warrant, or petty officer of the Coast Guard who has been designated by the Commander, Coast Guard Group Miami, Florida. The Coast Guard assumes no responsibility for the operation of the event, the safety of participants and spectators, the safety of transient craft, and the qualification and instruction of participants. These responsibilities rest solely with the sponsor of the event.

(b) *Special Local Regulations.*

(1) Staging area: Entry or anchoring in the staging area by nonparticipating vessel is prohibited, unless authorized by the Patrol Commander.

(2) Parade route: During the parade transit, nonparticipating vessels are prohibited from approaching within 500 feet ahead of the lead vessel and 500 feet astern of the last participating vessel in the parade, and within 50 feet either side of the parade unless authorized by the Patrol Commander.

(3) Viewing Area: Anchoring in the vicinity of the viewing area is prohibited.

(4) Miscellaneous: A succession of not fewer than 5 short whistle or horn blasts from a patrol vessel will be the signal for any non-participating vessel to stop immediately. The display of an orange distress smoke signal from a patrol vessel will be the signal for any and all vessels to stop immediately. At the discretion of the Patrol Commander, all vessels may resume normal operations after the passage of the parade participants.

(d) *Effective date.* This section is effective from 5 p.m. to 11 p.m. EST on December 16, 2000.

Dated: December 1, 2000.

**T.W. Allen,**

*U.S. Coast Guard, Commander, Seventh Coast Guard District.*

[FR Doc. 00-31644 Filed 12-11-00; 8:45 am]

**BILLING CODE 4910-15-P**

## POSTAL SERVICE

### 39 CFR Part 111

#### Sack Preparation Changes for Periodicals Nonletter-Size Mailing Jobs That Include Automation Flat Rate and Presorted Rate Mailings

**AGENCY:** Postal Service.

**ACTION:** Final rule.

**SUMMARY:** This final rule revises the standards for preparation of Periodicals nonletter-size mailing jobs that include both an automation flats mailing and a Presorted flats mailing to require use of the co-sacking preparation method in Domestic Mail Manual (DMM) M910.

**EFFECTIVE DATE:** January 7, 2001.

**FOR FURTHER INFORMATION CONTACT:** Lynn M. Martin, 703-292-3645.

**SUPPLEMENTARY INFORMATION:** On October 30, 2000, the Postal Service published for comment in the **Federal Register** (65 FR 64643) a proposed rule to require Periodicals mailers to prepare sacked mailing jobs of nonletter-size mail that include both an automation flats rate mailing and a Presorted rate mailing using the co-sacking preparation requirements in DMM M910.

This proposal was based on cost models that suggest that handling costs for Periodicals mail will be reduced if mailers are required to prepare their mail under new DMM M910. This preparation method will reduce the number of sacks prepared and handled, and concurrently increase the number of more finely presorted sacks. The anticipated reduction in Postal Service costs from requiring use of this preparation method was incorporated in the rates resulting from the R2000-1 rate case.

This rulemaking also reorganizes Domestic Mail Manual E200 and M200 to separate the eligibility and presort requirements for Periodicals Presorted rate mailings from those of carrier route mailings. DMM E200 will now contain section E220 that pertains only to Presorted rate mailings and section E230 that pertains only to carrier route mailings. (The information published in DMM E220 in the **Federal Register** proposed rule of August 29, 2000 (65 FR 52480), "Proposed Changes to the Domestic Mail Manual to Implement Docket No. R2000-1," has been redesignated as DMM E217 in the final rule regarding that proposal.) DMM M200 will contain section M210 that pertains only to Presorted rate mailings and section M220 that pertains only to carrier route mailings. Under current standards, Presorted and carrier route

are two separate mailings with separate eligibility requirements and separate packaging and sacking requirements. This reorganization does not change current requirements but reflects the separate mailing status of these two types of mailings. It also makes the DMM numbering for Periodicals consistent with the numbering system used for Standard Mail (A). The final rule also makes changes to E230 and M200 references contained throughout the DMM that appropriately change them to E220, M210, or M220 references, as appropriate.

As information, the DMM language in this final rule incorporates revisions to the DMM from three previously published **Federal Register** final rules that also will take effect January 7, 2001. These final rules are:

1. "Sack Preparation Changes for Periodicals Nonletter-Size Pieces and Periodicals Prepared on Pallets" published on July 28, 2000 (65 FR 46361).

2. "Line-of-Travel Sequencing for Basic Carrier Route Periodicals" published on July 28, 2000 (65 FR 46363).

3. "Domestic Mail Manual Changes for Sacking and Palletizing Periodicals Nonletters and Standard Mail (A) Flats, for Traying First-Class Flats, and for Labeling Pallets" published on August 16, 2000 (65 FR 50054).

Accordingly, the numbering and the language of the DMM sections in this final rule have been synchronized with those final rules and may not match the numbering and language in current DMM Issue 55.

#### Summary of Comments

The Postal Service received one in response to the proposed rule. This commenter who represents a mailing association expressed support for the new requirement.

Although exempt from the notice and comment requirements of the Administrative Procedure Act (5 U.S.C. 553(b), (c)) regarding rulemaking by 39 U.S.C. 410(a), the Postal Service hereby adopts the following amendments to the Domestic Mail Manual (DMM), which is incorporated by reference in the Code of Federal Regulations. See 39 CFR part 111.

#### List of Subjects in 39 CFR Part 111

Administrative practice and procedure, Postal Service.

#### PART 111—[AMENDED]

1. The authority citation for 39 CFR part 111 continues to read as follows:

**Authority:** 5 U. S. C. 552(a); 39 U. S. C. 101, 401, 403, 404, 414, 3001–3011, 3201–3219, 3403–3406, 3621, 3626, 5001.

2. Amend the following sections of the Domestic Mail Manual (DMM) as set forth below:

## E Eligibility

\* \* \* \* \*

### E200 Periodicals

\* \* \* \* \*

### E211 All Periodicals

\* \* \* \* \*

## 12.0 Documentation

[In E211.12.0, revise “E230” to read “E220”.]

\* \* \* \* \*

### 14.0 Basic Rate Eligibility

\* \* \* \* \*

### 14.3 Adjustments and Discounts

[In E211.14.3, revise “E230” to read “E220, E230”.]

\* \* \* \* \*

[Add new E220 to read as follows:]

### E220 Presorted Rates

[Add new summary to read as follows:]

Summary E220 describes the eligibility standards for mailing Presorted rate mailings (5-digit, 3-digit, and basic rates). It also describes combining multiple publications or editions.

[Add new 1.0 that copies information from E230 and deletes information pertaining to carrier route mail to read as follows:]

## 1.0 BASIC INFORMATION

### 1.1 Standards

The standards for Presorted rates are in addition to the basic standards for Periodicals in E210, the standards for other rates or discounts claimed, and the applicable preparation standards in M045, M200, M910, M920, M930, or M940. Not all combinations of presort level, automation, and destination entry discounts are permitted.

[Copy E230.1.2 as new E220.1.2 and amend to include references to new palletization options to read as follows:]

### 1.2 Palletized Mail

A correctly prepared package is the equivalent of a sack when palletized under M045, M920, M930, or M940. Individual pieces qualify for the presort level rate appropriate for the palletized packages in which they are placed, regardless of the destination of the pallet. Eligibility for destination entry or

other zoned rates depends on the point of entry.

[Redesignate E230.1.3 as E220.1.3.]

### 1.4 Barcodes

[Copy E230.1.4 as E220.1.4 and amend by changing “nonautomation” to “Presorted” to read as follows:]

Any POSTNET barcode on a mailpiece in a Presorted Periodicals mailing must be correct for the delivery address and meet the standards in C840 and A950.

### 1.5 Documentation

[Copy E230.1.5 to E220.1.5 and amend by adding information on postage statements to read as follows:]

A complete, signed postage statement, using the correct USPS form or an approved facsimile, must accompany each mailing, supported by standardized documentation meeting the basic standards in P012. Documentation of postage is not required if each piece in the mailing is of identical weight and the pieces are separated when presented for acceptance by rate, by zone (including separation by In-County and Outside-County rates), and by entry discount (e.g., DDU and DSCF).

[Add new heading 2.0 to read as follows:]

## 2.0 RATES

[Redesignate E230.3.0 through E230.5.0 as E220.2.1, 2.2, and 2.3, respectively.]

### 2.1 5-Digit Rates

[In redesignated 2.1, change the reference “M200” to “M210.”]

### 2.2 3-Digit Rates

[In redesignated 2.2, change the reference “M200” to “M210.”]

### 2.3 Basic Rates

[In redesignated 2.3, change the reference “M200” to “M210.”]

[Copy E230.7.0 as E220.3.0.]

[Revise the heading of E230 to read as follows:]

### E230 Carrier Route Rates

[Amend the summary to exclude non-carrier route rates to read as follows:]

Summary E230 describes the eligibility standards for mailing at carrier route rates. It also describes combining multiple publications or editions.

## 1.0 BASIC INFORMATION

### 1.1 Standards

[Amend 1.1 to delete information on Presorted rate mail to read as follows:]

The standards for carrier route rates are in addition to the basic standards for

Periodicals in E210, the standards for other rates or discounts claimed, and the applicable preparation standards in M045, M200, M910, M920, M930, or M940. Not all combinations of presort level, automation, and destination entry discounts are permitted.

[Amend 1.2 to include references to new palletization options to read as follows:]

### 1.2 Palletized Mail

A correctly prepared package is the equivalent of a sack when palletized under M045, M920, M930, or M940. Individual pieces qualify for the presort level rate appropriate for the palletized packages in which they are placed, regardless of the destination of the pallet. Eligibility for destination entry or other zoned rates depends on the point of entry.

[Redesignate the heading 2.1 as 1.3 and amend to read as follows:]

### 1.3 Carrier Route Code Accuracy

[Redesignate the text of 2.1 as 1.3 and amend to add references to the sequencing requirements to read as follows:]

Except for mailings prepared with a simplified address under A040, carrier route codes must be applied to mailings using CASS-certified software and the current USPS Carrier Route Information System (CRIS) scheme, hard copy CRIS files, or another AIS product containing carrier route information, subject to A930 and A950. Carrier route information must be updated within 90 days before the mailing date. The applicable sequencing requirements in 2.2, 3.0, and M050 must also be met.

\* \* \* \* \*

### 1.5 Documentation

[Amend 1.5 to add information on postage statement standards and to add a cross-reference to the documentation requirements in M050 for sequencing to read as follows:]

A complete, signed postage statement, using the correct USPS form or an approved facsimile, must accompany each mailing, supported by standardized documentation meeting the basic standards in P012. Documentation of postage is not required if each piece in the mailing is of identical weight and the pieces are separated when presented for acceptance by rate, by zone (including separation by In-County and Outside-County rates), and by entry discount (e.g., DDU and DSCF). Documentation of sequencing and of density standards under M050 must be submitted with each mailing.

[Revise the heading of 2.0 (as set forth in the final rule published in 65 FR 50054, August 16, 2000), and add new heading 2.1 to read as follows:]

## 2.0 SORTATION AND SEQUENCING

### 2.1 Sortation

[Redesignate the contents of 2.2a (as set forth in the final rule published in 65 FR 50054, August 16, 2000) as 2.1a and b to separate letter mail standards from nonletter mail standards to read as follows:]

Preparation to qualify eligible pieces for carrier route rates is optional and is subject to M045, M200, or (nonletter-size mail only) M920, M930, or M940. Carrier route sort need not be done for all carrier routes in a 5-digit area. Specific rate eligibility is subject to these standards:

a. The carrier route rates for letter-size mail apply to copies that are prepared in carrier route packages of six or more pieces each that are sorted to carrier route, 5-digit carrier routes, or 3-digit carrier routes trays.

b. The carrier route rates for nonletter-size mail apply to copies of flat-size or irregular parcel-size pieces prepared in carrier route packages of six or more pieces each, and that are sorted to pallets under M045 or M920, M930, or M940, or sacked in carrier route, 5-digit scheme carrier routes, or 5-digit carrier routes sacks, and, if prepared under M920, merged 5-digit scheme sacks or merged 5-digit sacks. Preparation of 5-digit scheme carrier routes sacks or pallets is required and must be done for all 5-digit scheme destinations. Preparation of merged 5-digit sacks and merged 5-digit scheme sacks is optional but if performed must be done for all 5-digit ZIP Codes for which there is an "A" or "C" indicator in the City State Product that permits co-containerization of carrier route and 5-digit packages. Preparation of merged 5-digit pallets and merged 5-digit scheme pallets is optional but if performed must be done for all 5-digit ZIP Codes or 5-digit schemes for which those pallet levels are possible (under M920 if there is an "A" or "C" indicator in the City State Product, under M930 if the 5% threshold standard is met, and under M940 if ZIP Codes have an "A" or "C" indicator in the City State Product and if ZIP Codes with a "B" or "D" indicator in the City State Product meet the 5% threshold standards). For merged 5-digit scheme sacks or pallets, preparation also must be done for all 5-digit scheme destinations. The applicable sequencing requirements in M050 and in 2.2a or 2.2b also must be met.

[Amend the heading of 2.2 and redesignate 2.2b and c (as set forth in the final rule published in 65 FR 50054, August 16, 2000) as 2.2a and b, to read as follows:]

### 2.2 Sequencing Requirements

Carrier route mail must be prepared in delivery sequence as follows:

a. Basic carrier route rate mail must be prepared either in carrier walk sequence or in line-of-travel (LOT) sequence according to LOT schemes as prescribed by the USPS (M050).

b. The high density and saturation rates apply to pieces that are eligible for carrier route rates under 2.1, are prepared in carrier walk sequence, and meet the applicable density standards in 3.0 for the rate claimed.

[Redesignate 6.0 (as set forth in the final rule published in 65 FR 50054, August 16, 2000) as 3.0; amend redesignated 3.1 by changing the reference "2.2" to "1.0 and 2.0," by changing the reference "M200" to "M220," and by changing the reference "6.4" to "3.4"; amend redesignated 3.4 by changing all references to "6.4" to "3.4."]

[Redesignate 7.0 as 4.0.]

\* \* \* \* \*

*E250 Destination Entry*

\* \* \* \* \*

## 2.0 DDU RATE

### 2.1 Eligibility

[Change the references "M200" to "M220."]

\* \* \* \* \*

## M Mail Preparation and Sortation

### M000 General Preparation Standards

\* \* \* \* \*

### M050 Delivery Sequence

## 1.0 BASIC STANDARDS

### 1.1 General

[Change the reference "M200" to "M220."]

\* \* \* \* \*

## 4.0 DOCUMENTATION

### 4.2 High Density

[In 4.2a and 4.2b, change the reference "E230.6.4c" to "E230.3.4c."]

### M200 Periodicals (Nonautomation)

[Add new heading M210 to read as follows:]

### M210 Presorted Rate Periodicals

[Redesignate the summary of M200 as the summary of M210 and amend to delete references to carrier route mail to read as follows:]

*Summary:* M200 describes the basic standards for Periodicals Presorted rate mailings including package and tray preparation for letters, and package and sack preparation for flats and irregular parcels. Additional requirements for preparing mail on pallets are in M041 and M045, or M041 and M920, M930, or M940. For standards on automation rate Periodicals mailings see E240 and M810 (letters) or M820 (flats), as applicable. For standards on carrier route mailings see E230 and M220.

[Redesignate M200.1.0 as M210.1.0.]

## 1.0 BASIC STANDARDS

[Revise heading and text of redesignated M210.1.1 for clarity and to exclude Presorted rate sacked nonletter-size mailings that contain an automation rate mailing to read as follows:]

### 1.1 Basic Standards

For all letter-size mailings, for sacked mailing jobs of nonletter-size mail that do not contain an automation rate mailing or a carrier route mailing, and for all palletized mailing jobs the following standards must be met for the Presorted rate mailing:

a. All pieces in each Presorted rate Periodicals mailing must be in the same processing category.

b. Letter-size pieces must be packaged under 2.0 and prepared in trays under 3.0. Trays prepared under this section may subsequently be palletized under M041 and M045.

c. Nonletter-size pieces must be packaged under 2.0. Packages placed on pallets must meet additional packaging criteria under M045.

d. Packages of nonletter-size pieces must be sacked or palletized under one of the following:

(1) Sacked under 4.0, except that a Presorted rate mailing that is part of a mailing job that also contains an automation flats mailing must be sacked under M910 or M920 as described in 1.2; or

(2) Palletized under M041 and M045, M920, M930, or M940.

e. Sacks prepared under 4.0 may subsequently be prepared on pallets under M041 and M045.

f. All pieces must be sorted together to the finest extent required under the applicable sortation standards described above.

g. Postmasters may authorize preparation of small mailings in nonpostal containers if they consist primarily of packages for local ZIP Codes, do not exceed 20 pounds, and do not require postal transportation for processing.

[Move redesignated M200.1.3 to M220 and redesignate as M220.1.3, change the

title from "Basic Carrier Route and Walk Sequence" to "Sequencing Standards.")

[Redesignate 1.2 as 1.3 and add new 1.2 to read as follows:]

### 1.2 Additional Standards for Nonletter Sacked Mailing Jobs Containing More Than One Mailing

The following standards apply:

a. Flats and irregular parcel mailings prepared in sacks that are part of a mailing job that contains a carrier route rate mailing, an automation flat rate mailing, and a Presorted rate mailing must be prepared under one of the following options: (1) The carrier route mailing must be prepared under E230 and M220 and the automation rate and Presorted rate mailings must be prepared under M910; or (2) all three mailings in the mailing job must be prepared under M920.

b. Flats and irregular parcel mailings prepared in sacks that are part of a mailing job that contain only an automation flats mailing under E240 and a Presorted rate mailing under E220 must be presorted under the co-sacking standards in M910.

c. Sacked mailing jobs that contain only a carrier route mailing and a Presorted rate mailing may be separately sacked under M210 and M220, or may be prepared using the merged sacking option under M920.

d. Sacked mailing jobs that contain only a carrier route mailing and an automation rate mailing may be separately sacked under M220 and M820, or may be prepared using the merged sacking option under M920.

\* \* \* \* \*

### 1.3 Documentation

[Insert text of redesignated 1.3.]

### 1.4 Firm Packages

[Insert text of redesignated 1.4.]

### 1.5 Low-Volume Packages and Sacks

[Amend redesignated 1.5 to change internal references and to correct the names of applicable pallet levels to read as follows:]

As a general exception to 2.2a through 2.2c and 4.0a through 4.0d, nonletter-size Periodicals may be prepared in 5-digit and 3-digit packages containing fewer than six pieces when the publisher determines that such preparation improves service, provided those packages are placed in 5-digit, 3-digit, and SCF sacks. These low-volume packages may be placed on 5-digit scheme, 5-digit, 3-digit, and SCF pallets under M045, or on merged 5-digit scheme, 5-digit scheme, merged 5-digit, 5-digit, 3-digit, or SCF pallets under M920, M930, and M940.

[Delete 1.6.]

[Redesignate 1.7 as 1.6 and amend by deleting "or pallets" from the end of the first sentence, by deleting "sacks or" from the end of the second sentence, by changing the section number references, and by adding a new last sentence to read as follows:]

### 1.6 Merged Palletization of Nonletter-Size Carrier Route, Automation Rate, and Presorted Rate Mail

Under the standards in M920, nonletter-size firm and 5-digit packages that are prepared under 1.0 and under 2.2a and 2.2b may be co-sacked with nonletter-size firm and carrier route packages prepared under M220 and with nonletter-size 5-digit packages at automation rates prepared under M820 in merged 5-digit sacks and in merged 5-digit scheme sacks. Under the standards in M920, M930, or M940, nonletter-size firm and 5-digit packages that are prepared under 1.0, 2.2a, and 2.2b may be copalletized with nonletter-size firm and carrier route packages prepared under M220 and with nonletter-size 5-digit packages at automation rates prepared under M820 on merged 5-digit pallets and on merged 5-digit scheme pallets. See 1.2a for information on when preparation under M920 may be required.

## 2.0 PACKAGE PREPARATION

### 2.1 General

Package preparation is subject to M020 and the specific standards below.

[Delete 2.2 and 2.3; redesignate 2.4 as 2.2 and amend to delete information on carrier route packages to read as follows:]

### 2.2 Package Preparation

Package size, preparation sequence, and labeling:

a. Firm: optional (two-piece minimum); blue Label F or optional endorsement line (OEL).  
b. 5-digit: required (six-piece minimum, fewer not permitted except under 1.5); red Label D or OEL; labeling optional for mail placed in full 5-digit trays.

c. 3-digit: required (six-piece minimum, fewer not permitted except under 1.5); green Label 3 or OEL.

d. ADC: required (six-piece minimum, fewer not permitted); pink Label A or OEL.

e. Mixed ADC: required (no minimum); tan Label MXD or OEL.

[Redesignate 3.0 as 4.0 and redesignate 4.0 as 3.0, amend redesignated 3.0 and 4.0, respectively, by consolidating former subsections into a single section for trays and a single section for sacks to read as follows:]

### 3.0 TRAY PREPARATION (LETTER-SIZE PIECES)

Tray size, preparation sequence, and labeling (Line 1 and 2):

a. 5-digit: required at 24 pieces, optional with one six-piece package minimum.

(1) Line 1: use 5-digit ZIP Code destination of packages, preceded for military mail by the prefixes under M031.

(2) Line 2: "LTRS 5D NON BC."

b. 3-digit: required at 24 pieces (no minimum for required origin/optional entry 3-digit(s)), optional with one six-piece package minimum.

(1) Line 1: use L002, Column A.

(2) Line 2: "LTRS 3D NON BC."

c. ADC: required at 24 pieces, optional with one six-piece package minimum.

(1) Line 1: use L004.

(2) Line 2: "LTRS ADC NON BC."

d. Mixed ADC: required (no minimum).

(1) Line 1: use "MXD" followed by the city/state/ZIP of the ADC serving the 3-digit ZIP Code of the entry post office, as shown in L004.

(2) Line 2: "LTRS NON BC WKG."

### 4.0 SACK PREPARATION (FLAT-SIZE PIECES AND IRREGULAR PARCELS)

For mailing jobs that also contain an automation rate mailing see 1.2 and M910 or M920. For other mailing jobs, the following are the sack size, preparation sequence, and lines 1 and 2 labeling:

a. 5-digit: required at 24 pieces, optional with one six-piece package minimum except under 1.5.

(1) Line 1: use 5-digit ZIP Code destination of packages, preceded for military mail by the prefixes under M031.

(2) Line 2: "PER" or "NEWS," as applicable, followed by "FLTS" or "IRREG," as applicable, and "5D NON BC."

b. 3-digit: required at 24 pieces, optional with one six-piece package minimum except under 1.5.

(1) Line 1: use L002, Column A.

(2) "PER" or "NEWS," as applicable, followed by "FLTS" or "IRREG," as applicable, and "5D NON BC."

c. SCF: required at 24 pieces, optional with one six-piece package minimum except under 1.5.

(1) Line 1: use L002, Column C.

(2) Line 2: "PER" or "NEWS," as applicable, followed by "FLTS" or "IRREG," as applicable, and "SCF NON BC."

d. Origin/entry SCF: required for the SCF of the origin (verification) office, optional for the SCF of an entry office

other than the origin office, (no minimum); for Line 1 use L002, Column C.

(1) Line 1: use L002, Column C.

(2) Line 2: "PER" or "NEWS," as applicable, followed by "FLTS" or "IRREG," as applicable, and "SCF NON BC."

e. ADC: required at 24 pieces, optional with one six-piece package minimum.

(1) Line 1: use L004.

(2) Line 2: "PER" or "NEWS," as applicable, followed by "FLTS" or "IRREG," as applicable, and "ADC NON BC."

f. Mixed ADC: required (no minimum).

(1) Line 1: use "MXD" followed by the city/state/ZIP of the ADC serving the 3-digit ZIP Code of the entry post office, as shown in L004.

(2) Line 2: "PER" or "NEWS," as applicable, followed by "FLTS" or "IRREG," as applicable, and "NON BC WKG."

\* \* \* \* \*

[Add new M220 to read as follows:]

#### *M220 Carrier Route Periodicals Mail*

Summary M220 describes the basic standards for Periodicals carrier route mailings including package and tray preparation for letters, and package and sack preparation for flats and irregular parcels. Additional requirements for preparing mail on pallets are in M041 and M045, or M041 and M920, M930, or M940. For standards on automation rate Periodicals mailings see E240 and M810 (letters) or M820 (flats), as applicable. For standards on Presorted rate mailings see E220 and M210.

### 1.0 BASIC STANDARDS

#### 1.1 General Preparation Standards

The following standards must be met for carrier route mailings:

a. All pieces in each carrier route Periodicals mailing must be in the same processing category.

b. Letter-size pieces must be packaged under 2.0 and prepared in trays under 3.0. Trays prepared under this section may subsequently be palletized under M041 and M045.

c. Nonletter-size pieces must be packaged under 2.0. Packages placed on pallets must meet additional packaging standards under M045.

d. Packages of nonletter-size pieces must be sacked or palletized under one of the following:

(1) sacked under 4.0 or, if eligible, under M920; or

(2) palletized under M041 and M045, M920, M930, or M940.

e. Sacks prepared under 4.0 may subsequently be prepared on pallets under M041 and M045.

d. All pieces must be sorted together to the finest extent required under the applicable sortation standards described above.

e. Postmasters may authorize preparation of small mailings in non-postal containers if they consist primarily of packages for local ZIP Codes, do not exceed 20 pounds, and do not require postal transportation for processing.

[Copy former M200.1.2 as M210.1.2 and add the following as the last sentence:]

#### 1.2 Documentation

\* \* \* Documentation of sequencing and of density standards under M050 must be submitted with each mailing.

[Change the title of redesignated 1.3 from "Basic Carrier Route and Walk Sequence" to "Sequencing Standards."]  
[Copy former M200.1.4 as M220.1.4.]

#### 1.5 Low-Volume Packages and Sacks

As a general exception to 2.4b and 4.0b and 4.0c, nonletter-size Periodicals may be prepared in carrier route packages containing fewer than six pieces when the publisher determines that such preparation improves service, provided those packages are placed in 5-digit scheme carrier routes, or 5-digit carrier routes sacks. Low-volume carrier route packages prepared under DMM M920 may also be placed in merged 5-digit scheme, 5-digit scheme carrier routes, merged 5-digit, and 5-digit carrier routes sacks. These low-volume packages also may be placed on 5-digit scheme carrier routes, 5-digit carrier routes, 3-digit, and SCF pallets under M045, or on merged 5-digit scheme, 5-digit scheme carrier routes, merged 5-digit, 5-digit carrier routes, 3-digit and SCF pallets under M041 and M920, M930, or M940.

[Copy current M200.1.7 as M220.1.6 and amend by deleting "or pallets" from the end of the first sentence, by adding a new second sentence, by deleting "sacks or" from the end of the third sentence, and by changing the section number references, to read as follows:]

#### 1.6 Merged Containerization of Nonletter-Size Carrier Route, Automation Rate, and Presorted Rate Mail

Under the standards in M920, nonletter-size firm and carrier route packages that are prepared under 1.0 and 2.4 may be co-sacked with nonletter-size 5-digit packages at Presorted rates prepared under M210 and with nonletter-size 5-digit packages

at automation rates prepared under M820 in merged 5-digit sacks and in merged 5-digit scheme sacks or pallets. For sacked mailing jobs of nonletters that contain an automation and a Presorted rate mailing as well as a carrier route mailing, mailers are required to prepare the automation and Presorted rate mailings under M910 (see M210.1.2a) and prepare the carrier route mailing under M220, unless they elect to prepare the mailings under M920. Under the standards in M920, M930, or M940, nonletter-size firm and carrier route packages that are prepared under 1.0 and 2.4 may be copalletized with nonletter-size 5-digit packages at Presorted rates prepared under M210 and with nonletter-size 5-digit packages at automation rates prepared under M820 on merged 5-digit pallets and on merged 5-digit scheme pallets.

### 2.0 PACKAGE PREPARATION

#### 2.1 General

Package preparation is subject to M020 and the specific standards below.

#### 2.2 Optional Higher Package Minimums

A mailer may choose to prepare carrier route packages at a higher level of route saturation (for example, only if there are at least 15 pieces per route). Under this option, smaller groups of six or more pieces per carrier route not prepared in carrier route packages for carrier route rates must be prepared for and paid at another applicable rate.

#### 2.3 Walk-Sequence Identification

In addition to the package label showing carrier route type and number under 2.4, each package of Periodicals walk-sequence mail must show that the mail is walk sequenced and the level of sequencing. A facing slip with the phrase "HIGH DENSITY WALK-SEQUENCED CARRIER ROUTE MAIL" or "SATURATION WALK-SEQUENCED CARRIER ROUTE MAIL" (as applicable) may be placed on the top of each package of walk-sequence mail. It may be an address label with the required information placed on a sample mailpiece that is the top piece in the package, or a slip of paper affixed to the top of the package. If packages are prepared without facing slips, an optional endorsement line or carrier route information line must be placed on each piece in the package to provide the equivalent information.

#### 2.4 Package Preparation

Package size, preparation sequence, and labeling:

a. Firm: optional (two-piece minimum); blue Label F or optional endorsement line (OEL). s

b. Carrier route: optional but required for rate eligibility (six-piece minimum, fewer not permitted except under 1.5); labeling required except for packages placed in a direct carrier route tray or sack (facing slip, OEL, or CR information line).

### 3.0 TRAY PREPARATION (LETTER-SIZE PIECES)

Tray size, preparation sequence, and Line 1 and 2 labeling:

a. *Carrier route*: required for rate eligibility at 24 pieces, optional with one six-piece package minimum.

(1) Line 1: use 5-digit ZIP Code destination of packages, preceded for military mail by the prefixes under M031.

(2) Line 2: "PER" or "NEWS," as applicable, followed by "LTRS," followed by "WSS" for saturation rate mail, or "WSH" for high density rate mail, or "CR" for basic rate mail, and followed by the route type and number.

b. *5-digit carrier routes*: required for rate eligibility if full tray, optional with minimum one six-piece package.

(1) Line 1: use 5-digit ZIP Code destination of packages, preceded for military mail by the prefixes under M031.

(2) Line 2: "PER" or "NEWS," as applicable, followed by "LTRS CR-RTS."

c. *3-digit carrier routes*: optional with minimum one six-piece package for each of two or more 5-digit areas.

(1) Line 1: use the city/state/ZIP shown in L002, Column A that corresponds to the 3-digit ZIP Code prefix of packages.

(2) Line 2: "PER" or "NEWS," as applicable, followed by "LTRS 3D CR-RTS."

### 4.0 SACK PREPARATION (FLAT-SIZE PIECES AND IRREGULAR PARCELS)

Sack size, preparation sequence, and Line 1 and 2 labeling:

a. *Carrier route*: required for rate eligibility at 24 pieces, fewer pieces not permitted.

(1) Line 1: use 5-digit ZIP Code destination of packages, preceded for military mail by the prefixes under M031.

(2) Line 2: "PER" or "NEWS" as applicable, followed by "FLTS" or "IRREG" as applicable, followed by "CR-RTS."

[Copy current M200.5.0 and add as M220.5.0.]

[Copy current M200.6.0 and add as M220.6.0.]

\* \* \* \* \*

### M800 All Automation Mail

#### M820 Flat-Size Mail

### 1.0 BASIC STANDARDS

\* \* \* \* \*

#### 1.8 Exception—Periodicals Preparation

[Amend 1.8 by replacing the last sentence with the following:]

These low-volume packages may be placed on 5-digit scheme, 5-digit, 3-digit, and SCF pallets under M041 and M045, or on merged 5-digit scheme, 5-digit scheme, merged 5-digit, 5-digit, 3-digit, and SCF pallets under M041 and either M920, M930, or M940. They may also be placed in merged 5-digit scheme, merged 5-digit, 5-digit, 3-digit, and SCF sacks prepared under M920.

#### 1.9 Co-Traying, Co-Sacking, or Copalletizing with Presorted Rate Mail

Packages of First-Class and Standard Mail (A) prepared under 1.0 and either 2.1 or 4.1, as applicable, may be co-trayed or co-sacked with Presorted rate mail that is part of the same mailing job and mail class at all levels of tray or sack under the provisions of M910. For sacked mailings of Periodicals nonletters, packages of Periodicals automation flats mail prepared under 1.0 and 3.1 that are part of the same mailing job as a Presorted rate mailing of nonletters must be co-sacked under M910, unless the mailing job also contains a carrier route mailing and is eligible for and prepared under M920. See M210.

\* \* \* \* \*

### 3.0 PERIODICALS

\* \* \* \* \*

#### 3.2 Sack Preparation

[Revise the first sentence of 3.2 to read as follows:]

For mailing jobs that also contain a Presorted rate mailing see 1.9 and M910. For other mailing jobs, the following are the sack size, preparation sequence and line 1 labeling: \* \* \*

\* \* \* \* \*

### M900 Advanced Preparation Options

[Amend the heading M910 to read as follows:]

#### M910 Co-Traying and Co-Sacking Packages of Automation and Presorted Rate Flats-Mailings

\* \* \* \* \*

### 2.0 PERIODICALS

#### 2.1 Basic Standards

[Amend 2.1d and 2.1e by replacing "E230" with "E220."]

\* \* \* \* \*

#### 2.2 Package Preparation

[Amend 2.2 by replacing "M200" with "M210."]

#### 2.3 Low-Volume Packages in Sacks or on Pallets

[Amend 2.3 by replacing "M200" with "M210" and by replacing "M200.1.4" with M210.1.4.]

\* \* \* \* \*

[Amend the heading of M920 to read as follows:]

#### M920 Merged Containerization of Flats Packages Using the City State Product

\* \* \* \* \*

### 1.0 PERIODICALS MAIL

#### 1.1 Basic Standards

[Amend 1.1g, 1.1h, and 1.1i to change the reference numbers to read as follows:]

Carrier route packages of nonletter-size pieces in a carrier route rate mailing may be placed in the same sack or on the same pallet (a merged 5-digit sack or pallet, or a merged 5-digit scheme sack or pallet) as nonletter-size 5-digit packages from an automation rate mailing and nonletter-size 5-digit packages from a Presorted rate mailing under the following conditions:

\* \* \* \* \*

g. The carrier route mailing must meet the eligibility criteria in E230, the automation rate mailing must meet the eligibility criteria in E240, and the Presorted rate mailing must meet the eligibility criteria in E220.

h. For sacked mailings, the rates for pieces in the carrier route mailing are based on the criteria in E230, the rates for pieces in the automation rate mailing are applied based on the number of pieces in the package and the level of package to which they are sorted under E240, and the rates for pieces in the Presorted rate mailing are based on the number of pieces in the package and the level of sack to which they are sorted under E220.

i. For palletized mailings, the rates are based on the level of package and the number of pieces in the package under E220, E230, and E240.

\* \* \* \* \*

#### 1.2 Package Preparation

[Amend 1.2a to reflect new reference numbers to read as follows:]

Packages must be prepared as follows:

a. Sacked Mailings. The carrier route mailing must be packaged and labeled under M220. The automation rate mailing must be packaged and labeled under M820. The Presorted rate mailing must be packaged and labeled under M210.

\* \* \* \* \*

### 1.3 Low-Volume Packages in Sacks or on Pallets

[Amend 1.3 to reflect new reference numbers to read as follows:]

Carrier route and 5-digit packages prepared under M210, M220, and M820 that contain fewer than six pieces must be placed in sacks under 1.4a through 1.4f or in 3-digit and SCF sacks under 1.4g, or on pallets under 1.5a through 1.5h, when the publisher determines that such preparation improves service. Pieces in such low-volume packages must claim the applicable basic rate, except that, as provided under M210.1.4 and M220.1.4, some firm packages may be eligible for carrier route rates and for 5-digit and 3-digit Presorted rates.

### 1.4 Sack Preparation and Labeling With Scheme Sort

[Change the reference "M200.3.0" to "M210.4.0."]

\* \* \* \* \*

[Amend the heading M930 to read as follows:]

### M930 Merged Palletization of Flats Packages Using a 5% Threshold

\* \* \* \* \*

## 1.0 PERIODICALS MAIL

### 1.1 Basic Eligibility Requirements

[Amend 1.1f, 1.1g, and 1.1k to change the reference numbers to read as follows:]

Nonletter-size 5-digit packages from an automation rate mailing and nonletter-size 5-digit packages from a Presorted rate mailing may be placed on the same pallet (a merged 5-digit pallet or a merged 5-digit scheme pallet) as carrier route packages of nonletter-size pieces in a carrier route rate mailing under the following conditions:

\* \* \* \* \*

f. The carrier route mailing must meet the eligibility criteria in E230, the automation rate mailing must meet the eligibility criteria in E240, and the Presorted rate mailing must meet the eligibility criteria in E220.

g. The rates are based on the level of package and the number of pieces in the package under E220, E230, and E240.

\* \* \* \* \*

k. Portions of the mailing job that cannot be palletized must be prepared

in sacks under M210, M220, M820, M910, or M920.

\* \* \* \* \*

### 1.3 Low-Volume Packages on Pallets

[Amend 1.3 by changing "M200" to "M210, M220."]

### 1.4 5% Threshold Standard

[Amend 1.4f to reflect new reference numbers to read as follows:]

Mailers may place 5-digit packages with carrier route packages on the same merged 5-digit scheme or merged 5-digit pallet under 1.5 if all of the following conditions are met:

\* \* \* \* \*

f. Copies in firm packages claimed as one piece for rate purposes will be considered a single piece when performing the 5% limit calculation under 1.4a through 1.4d. As provided in M210.1.4 and M220.1.4, some firm packages claimed as one piece may be eligible for carrier route rates, 5-digit rates, or basic rates. The sortation level of each firm piece (package) for purposes of applying the 5% limit will be considered to be carrier route if the firm piece (package) is eligible for the carrier route rate under M220.1.4. Otherwise the firm package will be considered to be a 5-digit sorted piece (even if the basic rate must be paid on that piece).

\* \* \* \* \*

[Amend the heading M940 to read as follows:]

### M940 Merged Palletization of Flats Packages Using the City State Product and a 5% Threshold

## 1.0 PERIODICALS MAIL

### 1.1 Basic Standards

[Amend 1.1g, 1.1h, and 1.1l to change the reference numbers to read as follows:]

Nonletter-size 5-digit packages from an automation rate mailing and nonletter-size 5-digit packages from a Presorted rate mailing may be placed on the same pallet (a merged 5-digit pallet or a merged 5-digit scheme pallet) as carrier route packages of nonletter-size pieces under the following conditions:

\* \* \* \* \*

g. The carrier route mailing must meet the eligibility criteria in E230, the automation rate mailing must meet the eligibility criteria in E240, and the Presorted rate mailing must meet the eligibility criteria in E220.

h. The rates are based on the level of package and the number of pieces in the package under E220, E230, and E240.

\* \* \* \* \*

l. Portions of the mailing job that cannot be palletized must be prepared in sacks under M210, M220, M820, M910, or M920.

\* \* \* \* \*

### 1.3 Low-Volume Packages on Pallets

[Amend 1.3 by changing "M200" to "M210, M220."]

### 1.4 5% Threshold Standard

[Amend 1.4f to reflect new reference numbers to read as follows:]

For 5-digit ZIP Codes with a "B" or "D" indicator in the City State Product, mailers may place 5-digit packages with carrier route packages on the same merged 5-digit scheme or merged 5-digit pallet under 1.5 if all of the following conditions are met:

\* \* \* \* \*

f. Copies in firm packages claimed as one piece for rate purposes will be considered a single piece when performing the 5% limit calculation under 1.4a through 1.4d. As provided in M210.1.4 and M220.1.4, some firm packages claimed as one piece may be eligible for carrier route rates, 5-digit rates, or basic rates. The sortation level of each firm piece (package) for purposes of applying the 5% limit will be considered to be carrier route if the firm piece (package) is eligible for the carrier route rate under M220.1.4. Otherwise the firm package will be considered to be a 5-digit sorted piece (even if the basic rate must be paid on that piece).

\* \* \* \* \*

This change will be published in a future issue of the Domestic Mail Manual. An appropriate amendment to 39 CFR 111.3 to reflect these changes will be published.

**Stanley F. Mires,**

*Chief Counsel, Legislative.*

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## DEPARTMENT OF TRANSPORTATION

### Maritime Administration

### 46 CFR Part 207

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### Statistical Data for Use in Operating-Differential Subsidy Application Hearings

**AGENCY:** Maritime Administration, Transportation.

**ACTION:** Final rule.